

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 90-762-C - ORDER NO. 91-233 ✓

APRIL 1, 1991

IN RE: Request of Farmers Telephone) ORDER
Cooperative, Inc. for Change) APPROVING
of Depreciation Rates) DEPRECIATION
) RATES

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of an Application filed on November 26, 1990 and amended on March 25, 1991 by Farmers Telephone Cooperative, Inc. (Farmers) requesting approval of changes in its depreciation rates. The Company originally requested that its proposed depreciation rate changes become effective January 1, 1990. The depreciation rates proposed by the Company were outlined in a summary attachment to the application. The application was filed pursuant to S.C. Code Ann., §58-9-350 (1976), as amended.

The application was duly noticed, and a Petition to Intervene was filed by the Department of Consumer Affairs.

As a result of a negotiated settlement, the Company submitted lower depreciation rates, e.g., a 7.80% depreciation rate for its Digital COE equipment (A/Cs 2212 and 2212.4) in lieu of the 8.33% initially requested, and a 5.9% rate for its buried cable equipment (A/Cs 2423.0 and 2423.9) in lieu of the 6.0% initially requested. The Company also agreed to change its requested effective date to January 1, 1991. Therefore, the overall effect of the changes in

the depreciation rates as agreed upon, results in an increase of \$1,122,601 in depreciation based on September 30, 1990 plant balances for Digital Central Office Equipment and Buried Cable Accounts.

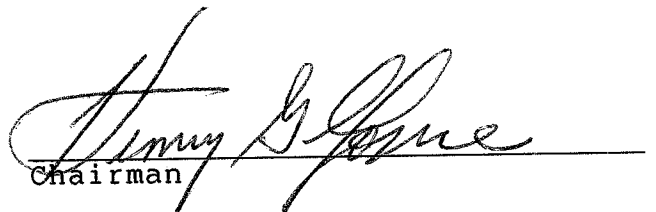
The Commission has considered the request of the Company to revise its depreciation rates, and after a review of the application and the impact of the proposed rates on the Company's depreciation expense, the Commission has determined that the requested negotiated rates are reasonable and should be approved as filed. Because these rates are a result of negotiations, they should not be used as precedent. The approved depreciation rates and plant accounts are listed on Appendix A attached hereto and incorporated by reference herein and shall be effective beginning January 1, 1991.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:

VICE

Chairman



ATTEST:


Deputy Executive Director

(SEAL)

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APPENDIX A

FARMER'S TELEPHONE COOPERATIVE, INC.

SCPSC 90-762-C

APPROVED DEPRECIATION RATES

Digital CO Equipment	7.80%
Buried Cable	5.90%